

Gender Diversity And International Assignments - Still A Raw Deal For Women?

Diversity can lead to superior ideas, business solutions and company interactions. Consequently, increasing the number of females among entrepreneurs and upper management has been on the agenda for most multinational corporations (MNCs) for many years. Despite this, the latest Female FTSE (Financial Times Stock Exchange Index of companies) Board Report (Vinnicombe et al., 2015) shows that in Europe's largest MNCs, only 24% of board members are female.

The RES Forum, an International HR and Global Mobility networking and information sharing group with over 1000 members in more than 500 companies based in over 40 countries around the world, surveyed its members about diversity practices, with particular focus on gender equality with regard to international assignments. This research forms the basis of the diversity chapter in *The RES Forum Annual Report 2016, Beyond Uniformity - A World of Opportunity*, authored by Professor Michael F. Dickmann, Professor of International HRM at Cranfield University, School of Management.

Introduction

Across many countries in Europe and elsewhere, governments have discussed or passed legislation to increase gender diversity in the upper echelons of management. The UK narrowly exceeded the European norm by coming in at 25%, demonstrating that progress has been made in the last decade. However, many countries, including the UK, still have some way to go until there is equality for both genders.

Global Careers for Women

One of the ways to increase female leadership is to encourage and enable women to embark on global careers. According to RES Forum research, International assignments and global work experience have a positive impact on the careers of managers, in particular at middle and senior leadership levels. (RES Forum annual report 2016, Chapter 2). In addition, it could be argued that several of the requirements for success when working abroad are often likely to be possessed by women; these include generic listening, communication, empathy and diplomacy skills shown to be good for adaptation to foreign contexts, leadership behaviour and negotiation. However, the Global Mobility (GM) literature has always upheld that women are severely under-represented amongst international assignees. In addition, Nancy Adler and others have argued that this is not necessarily only related to women not wanting to go abroad or not being suitable for specific locations, but is also due to particular organisational routines and practices

In order to have a sufficient pool of female talent to choose from for international assignments as well as top management positions, it is essential to account for gender diversity issues at every organisational level.

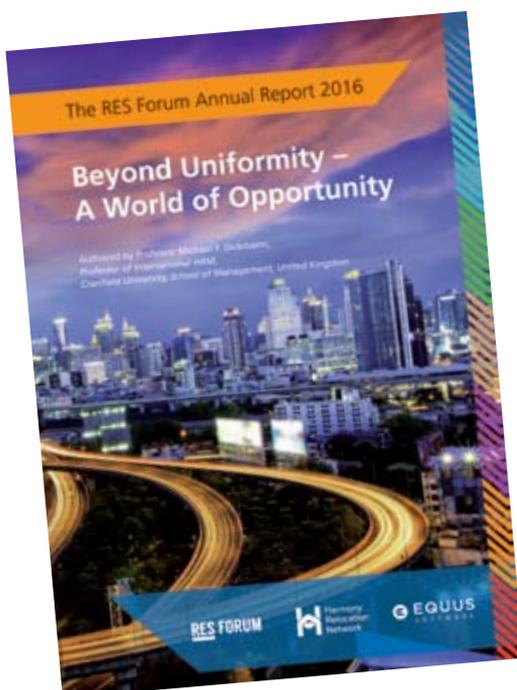
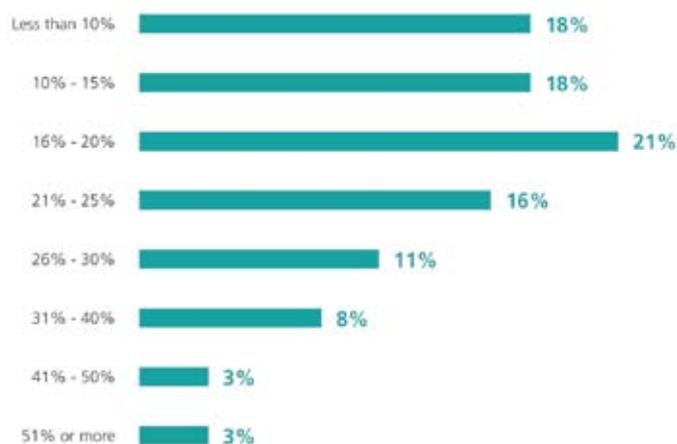


Figure 1 - What percentage of the global assignee population of your organisation is female?



that prevent women from going abroad. In order to have a sufficient pool of female talent to choose from for international assignments as well as top management positions, it is essential to account for gender diversity issues at every organisational level. The RES Forum team wanted to understand the status quo in member organisations with regard to this situation in our 2016 survey on diversity.

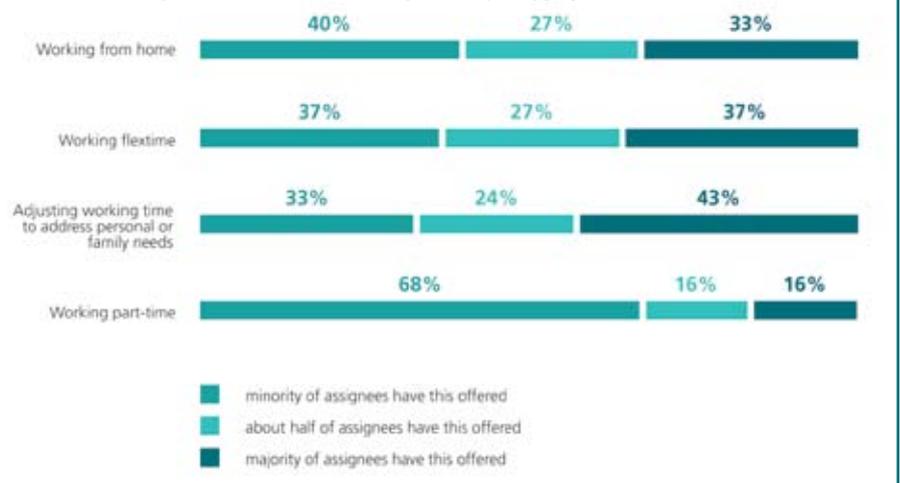
61 MNCs responded to the survey with over half of the respondents representing large corporations with over 25,000 employees. Four out of five companies operated in over 25 countries with one in five working in over 100 countries. 40% of the MNCs had at least 250 assignees. Yet the survey showed that RES Forum member organisations still have an assignee population dominated by men. As Figure 1 shows, in 57% of responding organisations, less than 20% of the assignment population is female.

While the percentage of females in the total workforce in the overwhelming majority of organisations surveyed was not equal to that of males, it can be said that there are far fewer women expatriates even in relation to total staff composition. The workforce was made up of at least 40% females in more than one third of the responding MNCs. Only one in ten of the responding organisations had a female workforce of 20% or less. It is obvious that sometimes the under-representation of women is rooted in industry standards, such as in the oil and gas industry. Yet, when considering international assignments and promotions, things are different.

Finding Suitable Female GM Candidates

To find suitable female International Assignment (IA) candidates and to motivate them to accept work abroad is difficult. A third of responding companies find it hard to find suitable candidates for expatriation in general and about one in five admit that it is difficult to motivate them to work abroad. While this is not a rosy picture with respect to either the attractiveness of working abroad or the match to existing staff to open positions abroad, this situation is perceived to be substantially more difficult in relation to female expatriates. More than half of organisations stated that it would be difficult to find suitable female assignees, and two in five found it hard to motivate them to accept a foreign posting. This raises the question: why is it so hard to identify and motivate suitable female staff? Could this be related to the resourcing approaches of MNCs in the first place, the location that these corporations are operating in, the structure of the expatriation package or the career (including repatriation) experience of female assignees? Interestingly, research found that female assignees have higher interaction with locals and adjust better to their new work challenges abroad than their male counterparts (Selmer and Leung, 2003).

Figure 2 - How widely are the following policies and practices offered to your traditional Long-Term International Assignment (LTIA) population?



Global Assignment Gender Equality

A large majority of companies had advanced gender diversity policies and practices in place. That female and male assignees were treated differently or had different opportunities was seen to be present only in about one in ten organisations. Overall, the treatment was normally equal which may raise the question as to whether a 'positive discrimination' of female expatriates should be contemplated if an organisation wants to increase female assignee numbers.

Short-term Impact of International Assignments

The short-term impact of working abroad is positive for women but men experience better career progression. The survey asked a number of questions in relation to the impact of working abroad compared to non-expatriated peers. More than a third of MNCs who responded thought that the chance that their repatriates would leave them was high in comparison to normal attrition rates among the workforce as a whole. The reasons for repatriate churn can be manifold with 'better opportunities elsewhere', 'the (comparative) loss in compensation' and a 'dissatisfaction with their current work role' being most prominent. With respect to other items, however, it seems that repatriates benefit from working abroad in that more than a third are promoted faster than their peers and some experience better performance ratings and faster salary increases on return. When looking at the female assignee population in particular, it is interesting to note that while fewer female repatriates seem to leave their organisations, their career progression is substantially slower in the first year after return. Career data is still positive, in that about a quarter are promoted faster than other non-expatriated peers; however this is far less impressive than the beneficial career effects for the overall expatriate population. This may be one of the reasons why some organisations find it harder

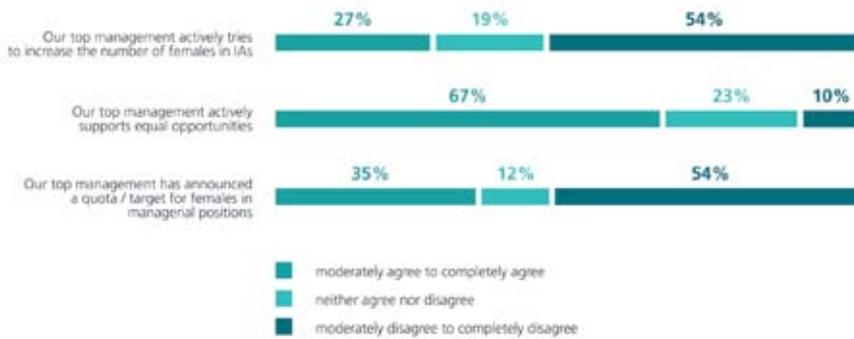
More than half of organisations stated it would be difficult to find suitable female assignees, and two in five found it hard to motivate them to accept a foreign posting.

to motivate suitable female candidates to go on an international assignment.

Long-term Impact of International Assignments

The long-term impact of working abroad is much more positive for male expatriates. We have already shown that in the short term, the real substantial difference between the genders was that males experienced more positive career outcomes. In the longer term over a period of 5 years, however, the differences between the genders were much more marked. Even though female repatriates were more likely to stay with their organisations, their promotion speed, performance ratings and compensation growth was substantially lower than that of their male counterparts. In addition, fewer female repatriates would go onto another assignment or would work in other special project teams. While these outcomes of international

Figure 3 - How do you view the activities of your top management? Evaluate the following statements for your organisation.



Conclusion

Overall, it is evident that there are proportionally fewer female assignees among responding organisations. While benefitting from working abroad, these female assignees do not get as good a deal as their male counterparts. This is surprising when considering that there are several organisational and commercial advantages associated with selecting and deploying female expatriates such as a higher sensitivity to cultural differences, better inter-cultural communication or the better performance and retention data. In essence, the insights outlined can serve as a call to organisations to rethink their GM practices with respect to gender in order to reap the benefits of having a more equally gender balanced assignee population. In turn, looking at the difficulties that MNCs have to source female international assignees, many women can learn from the Russian-born, US writer Ayn Rand who pronounced: "The question isn't who is going to let me; it's who is going to stop me?"

The RES Forum Annual Report 2016- Beyond Uniformity- A World of Opportunity.

This article is based on Chapter One of the RES Forum Annual Report, authored by Professor Michael F. Dickmann, Professor of International HRM at Cranfield University, School of Management, and produced by The RES Forum, Harmony Relocation Network and Equus Software.

To access the full report for free, in-house GM and HR professionals can read the report in full by registering to join the RES Forum at no charge. Just click "Join" and enter your details on our website at www.theresforum.com.

Relocation Vendors and other interested parties may request a copy of the report by emailing us at office@theresforum.com.

In-house GM professionals can explore this theme in greater detail at the Annual RESymposium event in London on 29 September; 'Diversity & Inclusion- Challenges Facing Global Mobility'. Attendance is free; go to our website for more details. www.theresforum.com/events/.



HEATHER HUGHES

General Manager, The RES Forum

T: +44(0)207 127 8075

E: office@theresforum.com

work are still much better than those experienced by non-expatriated staff in general, it seems that the relative work-related attractiveness of working abroad is lower for women than men. However, the context of organisations may vary significantly. For instance, one respondent outlined that the career progression differences were not related to gender per se, but actually to the fact that in their organisation females went on assignments later in their careers and tended to go to popular rather than priority locations. In other words, the career 'rewards' may be linked to the specific context.

The survey data indicated that early repatriation is proportionally less frequently requested by women than by men, although the difference is not substantial (5%). Overall, it does not seem that performance during an assignment or the lack of willingness to 'stick it out' can explain why there are fewer female expatriates. In addition, female repatriates are less likely to leave their employers after return. They do not see such a significant development of their performance ratings over the longer term when compared to their expatriated male peers. The relatively less attractive career and reward deal, over time, may be one contributing factor as to why female staff are less willing to go on assignment. Could there be other policies and practices that have an impact on the supply of female candidates for expatriation?

Flexible GM Policies and Practices are needed

It is known from gender research that women find HR practices that increase flexible working options conducive to accepting international assignments. With respect to traditional expatriates, the RES Forum survey wanted to explore the popularity of flexible approaches. While this may depend very much on specific locations, the data shows that many MNCs would be able to design and implement a range of flexible HR policies. As Figure 2 shows, it is particularly rare for international assignees to be able to work part-time or to work from home, which may mean that women who are perceived to want this flexibility, for family or other reasons, may be less willing to go abroad.

Many female assignees have a dual career partner, so their decision to work abroad is

The long-term impact of working abroad is much more positive for male expatriates.

influenced substantially by the effect on their partner's career and on their other family members (Doherty, Dickmann and Mills, 2011). More than a quarter of MNCs do not give dual career assignment options within their organisation or provide support to assignee's partners to find jobs. About half do not co-operate with other organisations to give dual career assignment options in any scenario and far less than half give lump sum allowances for partner support. Both male and female assignment candidates who have a partner with an equally important career may be reluctant to accept an assignment abroad due to a perceived lack of support from their partner or family.

Senior management is in a position to influence the culture in an organisation and to set the stage for GM. The RES Forum survey wanted to find out how top managers encouraged a climate that was conducive to females going on assignment. As Figure 3 shows, senior management have only announced quotas for females in managerial positions in one third of the responding companies. One respondent commented: "Our top management is male, pale and stale. So, even though they want to increase the number of females in leadership positions, their behaviour has not changed sufficiently to allow this to happen". In addition, in only about a quarter of organisations do the upper echelons actively try to increase the number of females on international assignment. It seems that top management could still contribute more strongly to redress the gender balance in GM.